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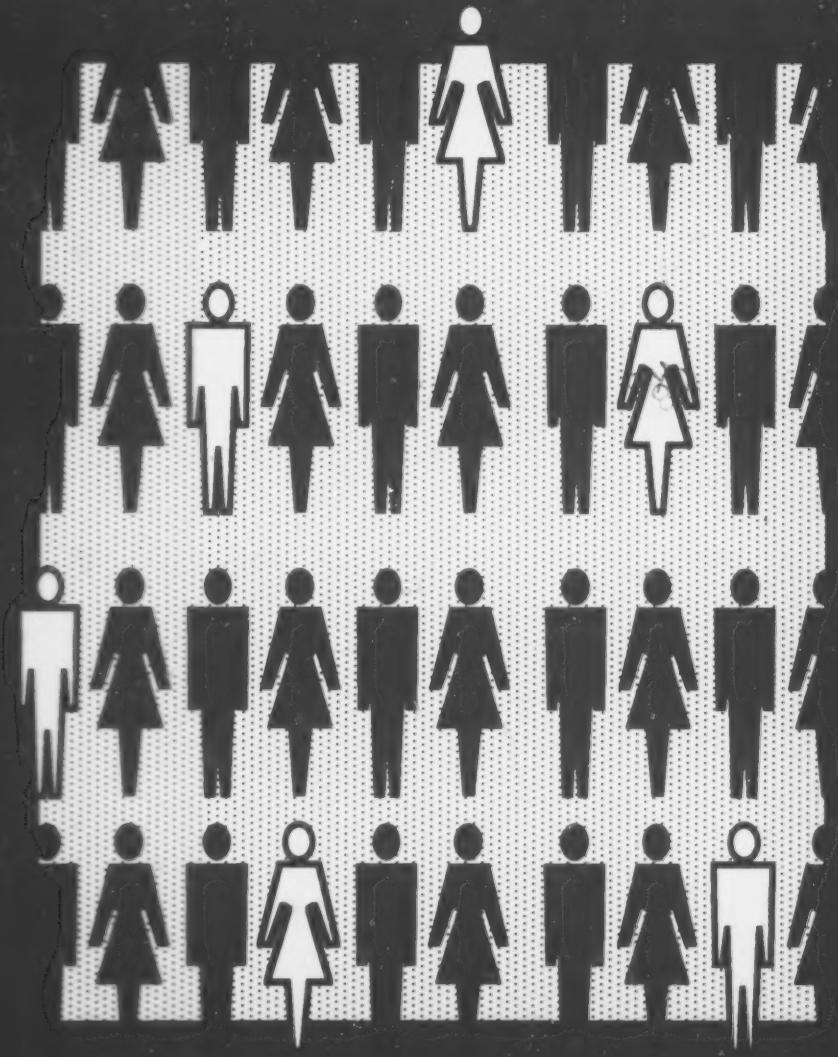
ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska



Alaska Economic Trends

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The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark date March 1984.

P/ Denotes preliminary estimates.
R/ Denotes revised estimates.

Hard-to-Fill Job Orders

By John Van Houten

Supply and demand are two sides of occupational information. One source of such information is the Alaska Department of Labor's local Job Service offices throughout the state. As part of the Department of Labor's efforts to develop occupational supply and demand information the Job Service offices provide labor market information through a computerized network to be shared among the offices and utilized throughout Alaska. One of the elements reported is occupations for which Job Service offices have not been able to find qualified applicants for a period greater than 30 days.

Table 1 is a tabulation of hard to fill occupations from 17 of 19 Job Service offices during December 1984 through May 1985. Seventy-four (74) occupations are listed; eleven were reported as unable to be filled for more than 30 days by three or more offices. The hard-to-fill occupations included radiologic (x-ray) technicians, managers, plumbers/pipefitters, cooks, counter persons (parts supply), and electricians. Several of the hard-to-fill jobs were for specializations within an occupation or jobs requiring long experience, which indicates some employers are selective in their hiring practices and openings may go unfilled. Job orders for other occupations were hard to fill because the jobs were located in rural areas.

The total job openings for difficult-to-fill occupations comprised about 4% of the total job openings submitted to the Job Service offices. One should by no means infer that most of the openings were difficult to fill; the reverse is true in many cases. Reports from the Job Service offices were consistent in expressing an adequate supply of applicants in their respective localities for almost all job orders. Also, local supplies of applicants were anticipated to be sufficient for major projects scheduled in their respective areas for the remainder of 1985.

In addition to listing hard-to-fill job orders, the local Job Service offices have identified significant economic activities in their respective areas. The following are seasonal and other considerations which affect local area occupational demand. The following examples are the types of information that were avail-

able from your local Job Service office at the end of May and may not represent current circumstances.

CENTRAL REGION

Anchorage

- Commercial and industrial construction should be expanding in the summer following the slow start resulting from a late spring.
- Support positions such as bookkeepers, dispatchers, and payroll clerks will be needed as construction starts up.
- Construction wages are dropping $2-$3/hr. on employer's job orders.
- Summer tourism will result in demand for some hotel workers, but restaurants anticipate reduced turnover compared with the past.
- Administrative and technicial positions are very competitive; many qualified individuals are in the local labor pool.

Kenai

- The tourist season has begun and is expected to be equal to, or slightly stronger than, last year.
- Construction trades are starting and canneries are gearing up. The employment levels are anticipated to be about the same as last year.

Kodiak

- An administration building on the Coast Guard base will provide employment for carpenters and other trades.
- Fish processing employment should be good until September, but more transient workers appear to be in Kodiak than at the same time last year.

Mat-Su

- Construction start up is late this year because of cool weather and frozen ground. Unemployment is high and the many applicants in the area will result in lower wages and high competition.

Seward

- Cooks, waiters/waitresses, and bartender jobs are anticipated to increase as summer tourist traffic mounts. Local residents are sufficient to supply most of these labor needs except for some of the rural lodges and resorts.

CENTRAL REGION RURAL

Dillingham

- Numerous construction projects are scheduled for the summer including road paving, a fire substation, city jail, U.S. Post Office building, hospital expansion, a new school at Clark's Point, and airport runway repaving and improvements.

Glennallen

- The seafood processors in Valdez and Cordova will hire workers for salmon processing through June; it is anticipated that 200 more workers than are presently employed will be hired as the season progresses.

- The City of Valdez has been granted the first and only foreign trade zone in Alaska; this is expected to bring more employment to the area.

- Research and planning for an oil refinery in Valdez is going on; the project is being strongly backed by the City Council.

Homer

- Summer employment levels will increase dramatically, but there is always a surplus influx of seasonal transients which will cause a continued high unemployment rate.

NORTHERN REGION

Fairbanks

- Tourism and the related service industries are anticipated to show strength throughout the summer.

- Retail sales industry has increased dramatically and is increasing the demand for sales personnel.

SOUTHEAST REGION

Juneau

- Construction has slowed from the previous season.

Sitka

- Alaska Pulp Corporation plans to layoff of about 200 to 300 employees for an indefinite shutdown, effective June 28.

- The remodeling of Mt. Edgecumbe School is continuing with many workers hired from the Native minority. Work will continue on the project throughout the summer as reopening of the school is scheduled for this fall.

Persons interested in current information should call their local Job Service office. Table 2 is a list of the 20 Job Service offices.

Table 1
Alaska's Hard-to-Fill Job Openings
December 1984-May 1985

	Central Region				Central Region Rural						Northern Region				Southeast Region		
	Anchorage	Kenai	Kodiak	Mat-Su	Seward	Bethel	Dillingham	Glennallen	Homer	Unalaska	Fairbanks	Kotzebue	Nome	Tok	Juneau	Ketchikan	Sitka
Managers & Officers																	
Managers			X1/			X2/	X3/			X4/	X5/	X6/		X7/	X8/		X9/
Managers, Restaurant											X				X11/		
Professional & Technical																	
Accountants	X						X					X					X
Architects															X12/		
Charter Boat Operators		X	X												X12/		
Chemists																	
Dental Assistants			X												X13/		
Dentists	X																
Drafters	X															X	
Electronic Technicians																X	
Engineers, Chemical																X14/	
Engineers, Civil																X	
Engineers, Mechanical							X15/										
Interpreter-Advocates									X		X16/				X17/		
Mortgage Loan Officers				X18/			X										
Nurses, Registered															X		
Opthalmic Assistants	X																
Opticians, Dispensing							X										
Physicians				X													
Pilots, Aircraft			X														
Planning & Zoning Assistants																	

(Footnotes on page 8.)

Table 1
Alaska's Hard-to-Fill Job Openings
December 1984-May 1985
(Continued)

	Central Region					Central Region Rural					Northern Region				Southeast Region		
	Anchorage	Kenai	Kodiak	Mat-Su	Seward	Bethel	Dillingham	Glennallen	Homer	Unalaska	Fairbanks	Kotzebue	Nome	Tok	Juneau	Ketchikan	Sitka
Public Broadcasting Programmers									X								
Radiologic (X-ray) Technicians		X		X		X	X				X				X19/		
Social Workers							X20/				X21/						
Teachers			X22/		X23/	X24/	X25/						X26/				
Quality Control Assistants			X														
Ultrasound Technologists											X						
Services																	
Bakers	X																
Child Care Workers	X28/		X												X29/		
Cooks	X		X	X				X	X30/		X31/						
Fast Food Workers			X														
Hairstylists & Cosmetologists					X						X				X32/		
Housekeepers	X33/							X							X29/		
Restaurant Workers	X																
Seamstresses			X												X34/		
Security Guards	X																
Waiters & Waitresses								X			X						
Maintenance & Production																	
Appliance Repairers		X	X33/														
Auto Body Repairers	X																
Carpet Installers											X35/						
Derrick Hands	X										X						
Dragline Operators											X						

| | | |

Footnotes

1. Commissary Store Manager
   Executive Director, Council on Alcoholism
   Tourism Director
2. Director, Tundra Women's Coalition
3. Community Health Services Director
   Community Parent Education Coordinator
   Construction Program Coordinator
   Maternal Child Program Supervisor
   Paug Vik Native Corporation Manager
   Tribal Operations Coordinator
4. Crisis Intervention Program Coordinator
5. Assistant Controller, CPA and 2 or 3 years' experience
6. Director of Institutional Support Rural Activities
7. Truss Plant Manager
8. Bank Management Trainee with B.A. in Finance or related field
   Patient Accounts Manager, 3 years' hospital office manager experience, or equivalent, with emphasis on credit and collection
   Director of Development, minimum 2 years' public TV development beyond four year degree
9. Assistant Office Manager
10. Minimum experience 2 years
11. To be trained under the Emergency Veterans' Job Training Program for bartender, waiter, and bar manager
12. Five years' experience
13. Two years' experience in dental office
14. Five to ten years' experience in design or transportation
15. Yupik Interpreter-Advocate
16. Two years' experience closing mortgage loans
17. Twelve months' experience
18. Operating room manager
19. To work on a fill-in basis, licensed
20. Drug/Alcohol Abuse Prevention Specialist
21. Title V Position
    Child Advocate II, B.A. in Early Childhood Development
22. Assistant Family Teacher
23. Music Instructor, woodwind and brass, part-time
24. Public Health Educator
25. Community Parent Education

Emergency Medical Services Trainer
Infant Learning Teacher
26. Human Services Teacher
27. For the salmon season
28. Day care and nursery school
29. Live-in
30. Live-in, remote lodge
31. Mexican style cooking, 3 years' experience
32. Holds or can receive Alaska license
33. Domestic
34. Part-time
35. Three years' experience
36. Licensed
37. Layout and paste-up experience
38. Air frame and power plant
39. Automotive and diesel engine
40. Front end
Foreign auto experience
41. Licensed
42. Sawing wood
43. Journeyman stone setter
44. Insulation
45. Tire repairer and tire studder
46. Experienced
47. Full charge
48. One years' experience
49. Type 50-65 wpm and word processing experience
50. IBM Display Writer experience
51. Commissioned
Microcomputer experience
52. Furniture
53. Advertising, with outside sales experience and creative writing skills
Knowledge of printing and graphics
Microcomputer experience
Sell greeting cards and gift wrap to retail stores
54. Six months' experience
55. Twelve months' airline or travel agency experience

Table 2
Alaska Job Service Offices

Anchorage Job Service
3301 Eagle Street-Suites 101-106
Anchorage, AK 99503
(907) 264-2631

Barrow Job Service
(Stevenson Street)
Box 525
Barrow, AK 99723
(907) 852-4500

Bethel Job Service
Box 187
Bethel, AK 99559
(907) 543-2210

Dillingham Job Service
Box 261
Dillingham, AK 99576
(907) 842-5579

Fairbanks Employment Center
(675 Seventh Avenue, Station D)
Pouch 1010
Fairbanks, AK 99707
(907) 452-1501

Glennallen Job Service
Box 145
Glennallen, AK 99588
(907) 822-3350

Homer Job Service
Box 2085
Homer, AK 99603
(907) 235-7791

Juneau Employment Center
212 Ferry Way
Juneau, AK 99801
(907) 586-1150

Kenai Employment Center
(110 Trading Bay Road)
Drawer 1091
Kenai, AK 99611
(907) 283-4304

Ketchikan Employment Center
(326 Dock Street)
Box 7878
Ketchikan, AK 99901
(907) 225-3181

Kodiak Employment Center
(309 Center Street)
Box 1546
Kodiak, AK 99615
(907) 486-3105

Kotzebue Job Service
Box 295
Kotzebue, AK 99752
(907) 442-3260

Mat-Su Employment Center
(1½ Mile Knik Road)
Pouch Z
Wasilla, AK 99687
(907) 376-2407

Nome Job Service
(Front Street)
Box 161
Nome, AK 99762
(907) 443-2626

Petersburg Job Service
(414 Main Street)
Box 389
Petersburg, AK 99833
(907) 772-3791

Seward Employment Center
(Municipal Bldg., Room 203)
Box 875
Seward, AK 99664
(907) 224-5276

Sitka Employment Center
304 Lake Street, Room 101
Sitka, AK 99835
(907) 747-3347

Tok Job Service
(Second Street)
Box 439
Tok, AK 99780
(907) 883-5629

Unalaska-Dutch Harbor Job Service
Box 554
Dutch Harbor, AK 99692
(907) 581-1580

Valdez Job Service*
Box 605
Valdez, AK 99686

* New office opens July 1, 1985.

Alaska

By Edward Eboch

Economic Outlook

Alaska's employment continues to show steady growth in light of all the concern about declines in state spending. Forecasts of the Alaska economy have been mixed from outright optimism to the sky is falling. An examination of the employment numbers suggests that the current year-to-year declines are concentrated in the construction and related industries. (The drop in government employment is a result of the University of Alaska semester ending previous to the sample week this year.) However, construction may receive a reprieve from the drop in employment previously anticipated with the scheduled construction of 300 housing units on Eielson Air Force Base near Fairbanks. Building materials for this project, enough to fill about 150 rail cars, arrived in Anchorage in early June. While this and previously planned North Slope oil projects will result in a healthy construction industry this year and next, it will fall far short of the employment levels seen over the last three years.

Declines in trade employment have been concentrated in construction related firms such as hardware stores, lumber yards and furniture stores. Water transportation and trucking and warehousing have also been affected by the decline in construction as employment in these industries experienced no gain from last year. The air transportation industry is going through restructuring nationwide as a result of deregulation, and Alaska is no exception. While airport employment is up from a year ago; consolidation, bankruptcies and other changes in the airline industry have resulted in declines in employment in the other segments of the airline industry.

One bright note is the year-to-year gains in manufacturing employment. After declines over the last two years, we are seeing gains in seafood processing employment as bottomfish activity has increased. A recently opened Kodiak surimi plant will provide year-round employment for 130 employees. (Surimi is a minced paste made from pollock.) This industry should continue to expand offsetting the declines in employment that result from the poor shellfish harvests of the past few years. This

increase is especially important as a like increase in fish harvesting employment, which is not included in our nonagricultural wage and salary numbers, can be expected.

Concern has been indicated that Alaska's trade and service sectors have over expanded in anticipation of a rapidly growing population. Nineteen eighty-four Alaska population numbers have been revised downward by 2.8%. The July 1, 1984, population is now estimated to be 523,048 versus the preliminary forecast of 538,000. The July 1, 1983 estimate was also revised downward by a like percent. These new population estimates indicate a growth parallel to that of nonagricultural wage and salary employment from the 1980 census date. The employment estimates may be a better measure of economic growth since the actual employment numbers only lag employment estimates by approximately six months and the current monthly estimates take this new information into account.

Alaska
Population & Employment Growth

	1984	1980	Increase
Population /1	401,851	523,048	30.2%
Nonag. Wage & Salary Employment /2	171,073	224,956	31.5%

/1 The 1980 population numbers are from the April 1 1980 census, the 1984 numbers (revised 5/85) are estimated as of July 1,1984.

/2 The employment numbers are annual averages.

Conclusion

Nothing will replace the loss of state expenditures as tax dollars decline from lower oil prices; but the impact has been offset somewhat by gains in Alaska's manufacturing sector, military construction and oil company activity on the North Slope. Unless oil prices decline greater than the $1 to $3 dollars per barrel now being forecast, Alaska's economy should remain reasonably healthy although any employment gains over the next year will be slight.

Nonagricultural Wage and Salary Employment
By Place of Work
Alaska

				Changes From:	
	P/ 5/85	R/ 4/85	5/84	4/85	5/84
Nonag. Wage & Salary	230700	225200	226700	5500	4000
Mining	9600	9600	9000	0	600
Construction	18800	16600	20600	2200	-1800
Manufacturing	11600	9400	10800	2200	800
Food & Kindred Prod.	5600	3900	5000	1700	600
Lumber & Paper Prod.	2700	2300	2600	400	100
All Other Mfg.	3300	3200	3200	100	100
Trans. Comm. & Utilities	19200	18400	19400	800	-200
Trucking & Whseing.	2300	2300	2400	0	-100
Water Transportation	1400	1100	1400	300	0
Air Transportation	6200	5900	6300	300	-100
Other Trans. Comm. & Utilities	9300	9100	9300	200	0
Trade	45200	44500	44300	700	900
Wholesale	8900	8800	8700	100	200
Retail	36300	35700	35600	600	700
Gen. Mer. & Apparel	5100	4900	4900	200	200
Food Stores	5900	6000	5700	-100	200
Eating & Drinking Pl.	13500	13100	12800	400	700
Other Retail Trade	11800	700	12200	100	-400
Finance-Ins. & R.E.	12900	12800	12400	100	500
Services & Misc.	44300	44100	43000	200	1300
Government	69100	69800	67200	-700	1900
Federal	17400	17300	18300	100	-900
State	19800	21100	19400	-1300	400
Local	31900	31400	29500	500	2400

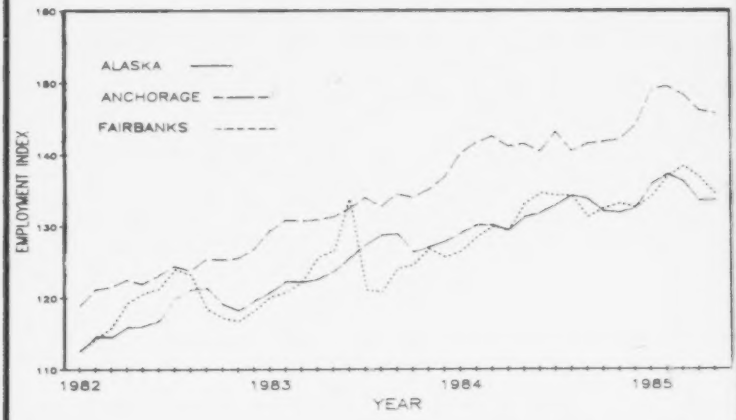
Prepared in cooperation with the U.S. Department of Labor Statistics.

Government includes teachers in primary and secondary school, and personnel employed by the University of Alaska.

Benchmark Date March 1984

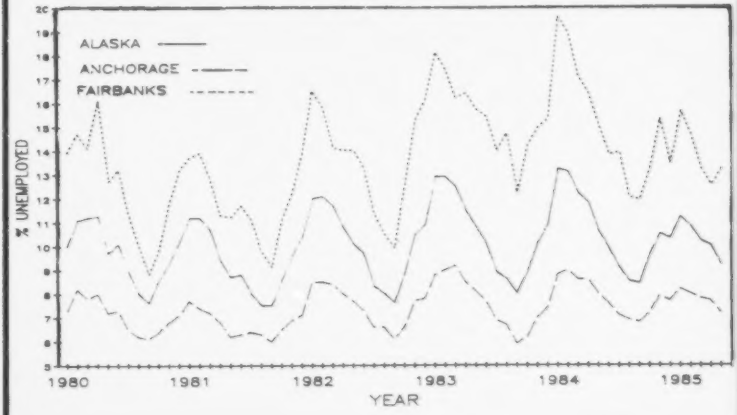
P/ Denotes preliminary estimates
R/ Denotes revised estimates

Composite Nonag. Employment Indexes
Seasonally Adjusted
1982 To May



source: Ak. Dept. of Labor

Unemployment Rates
Not Seasonally Adjusted
1980 to Present



source: AK. Dept. of Labor

Labor Force By Region and Census Area

	Labor Force			Unemployment			Rate			Employment		
	P/ 5/85	R/ 4/85	5/84	P/ 5/85	R/ 4/85	5/84	P/ 5/85	R/ 4/85	5/84	P/ 5/85	R/ 4/85	5/84
Alaska statewide	255250	253685	247607	23516	25461	25677	9.2	10.0	10.4	231734	228224	221930
Anch-Matsu Region	137255	136986	130889	11017	11872	10844	8.0	8.7	8.3	126238	125114	120045
Anchorage Borough	122592	122215	117239	8782	9418	9012	7.2	7.7	7.7	113810	112797	108227
MatSu Borough	14663	14771	13650	2235	2454	1832	15.2	16.6	13.4	12428	12317	11818
Gulf Coast Region	27291	26139	26217	3207	3828	3526	11.8	14.6	13.4	24084	22311	22691
Kenai Peninsula Bor	17018	16229	16289	2321	2614	2442	13.6	16.1	15.0	14697	13615	13847
Kodiak Island Bor	6255	6012	5907	566	742	547	9.0	12.3	9.3	5689	5270	5360
Valdez-Cordova	4018	3898	4021	320	472	537	8.0	12.1	13.4	3698	3426	3484
Interior Region	37746	37636	37699	4810	4654	5137	12.7	12.4	13.6	32936	32982	32562
Fairbanks North Star Borough	30649	30452	30505	4039	3805	4197	13.2	12.5	13.8	26610	26647	26308
Southeast Fairbanks	2948	2987	2968	268	303	319	9.1	10.1	10.7	2680	2684	2649
Yukon-Koyukuk	4149	4197	4226	503	546	621	12.1	13.0	14.7	3646	3651	3605
Northern Region	8617	9106	8371	750	866	1031	8.7	9.5	12.3	7867	8240	7340
Kobuk	2708	2854	2694	239	268	391	8.8	9.4	14.5	2469	2586	2303
Nome	3640	3858	3530	347	409	457	9.5	10.6	12.9	3293	3449	3073
North Slope Borough	2269	2394	2147	164	189	183	7.2	7.9	8.5	2105	2205	1964
Southeast Region	32973	32468	33008	2954	3200	3913	9.0	9.9	11.9	29949	29268	29095
Haines Borough	1055	1072	1025	112	150	109	10.6	14.0	10.6	943	922	916
Juneau Borough	12627	12391	12265	1033	1062	1002	8.2	8.6	8.2	11594	11329	11263
Ketchikan Gateway Borough	6970	6848	7095	618	640	924	8.9	9.3	13.0	6352	6208	6171
Prince of Wales-Outer Ketchikan	2458	2426	2504	300	317	407	12.2	13.1	16.3	2158	2109	2097
Sitka Borough	4098	4030	4231	274	293	516	6.7	7.3	12.2	3824	3737	3715
Skagway-Yakutat-Angoon	2041	2097	1999	252	348	261	12.3	16.6	13.1	1789	1749	1738
Wrangell-Petersburg	3654	3604	3889	365	390	694	10.0	10.8	17.8	3289	3214	3195
Southwest Region	11438	11350	11423	778	1041	1226	6.8	9.2	10.7	10660	10309	10197
Aleutian Islands	2736	2672	2721	65	89	166	2.4	3.3	6.1	2671	2583	2555
Bethel	4475	4455	4533	357	472	593	8.0	10.6	13.1	4118	3983	3940
Bristol Bay Borough	444	445	442	25	40	41	5.6	9.0	9.3	419	405	401
Dillingham	1911	1897	1870	144	188	180	7.5	9.9	9.6	1767	1709	1690
Wade Hampton	1872	1881	1857	187	252	246	10.0	13.4	13.2	1685	1629	1611

P/ Preliminary R/ Revised 1984 Benchmark

Federal guidelines require the use of unrounded labor force data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor, because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature, meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.

Anchorage/MatSu

By Greg Huff

Wasilla Area Employment

Each month nonagricultural wage and salary employment statistics are published for the Anchorage/MatSu region, but not for smaller geographic areas within the region. The conversion of the Department of Labor ES-202 data to the 1980 census areas has made it possible to view in much finer detail employment data from 1980 to 1984 for areas within the region. The Wasilla area will be examined this month. The area encompasses the communities of Wasilla, Big Lake, Goose Bay, Houston, Nancy, and Willow.

Several forces have shaped Wasilla into a unique economic entity and have made it the largest community within the Matanuska-Susitna Borough. The forces in its early years were construction of the Alaska Railroad and gold mining. The construction of the Parks highway in the early 1970s provided another opportunity for growth—tourism. The road connecting Wasilla and Anchorage also provided opportunities for Anchorage workers to reside in the Wasilla area and commute to work. The wave of Anchorage workers into the Wasilla area has been the most recent catalyst to rapid change and growth.

Wasilla's population increased from 1,559 to 3,510 over the 1980 to 1984 period, a 125% gain. Including the suburban areas outside the city limits the population is nearly four times that size. Wasilla has been the fastest growing city in the Borough and the state. In 1983 Wasilla's population exceeded Palmer's population to become the largest city in the MatSu Borough. Wasilla has a larger suburban population as well. The rapid expansion in population set into motion growth in employment (see table).

The Wasilla area's employment increased 233% from 1980 to 1984, twice as fast as the 104% employment growth in the Borough overall, which was the fastest growing borough in the state. During this period employment in Wasilla increased from 25% of total MatSu employment to 40% of the total. The number of firms increased from 155 to 439 while the number of employees per firm grew from 3.7 to 4.7. Total wages and salaries earned by Wasilla workers increased from $2 million to $10.8

million and average monthly wages rose from $1,162 to 1,734—an increase far ahead of inflation. During the past four years Wasilla has prospered more than most communities in the state. (Note: The wage and salary data does not include government employee's wages.)

The construction industry was a major beneficiary of the population boom. The sharp increase in population resulted in increased demand for housing, and retail and office space. These factors, combined with state-sponsored capital projects such as schools, fire houses, and roads resulted in local construction employment jumping from 71 jobs in 1980 to 599 in 1984 making it the fastest growing industry in the area. Note: This includes Wasilla based construction firms only. Anchorage or Palmer-based construction firms doing work in the Wasilla area will be counted in their respective areas.)

To support the needs of the growing number of residents the trade; services; finance, insurance, and real estate (FIRE); and utility sectors expanded their employment. Among these sectors FIRE, services, and trade grew the most rapidly. Employment in FIRE advanced 625%, services employment increased 301%, and trade employment grew 288%. FIRE employment, however, remains dwarfed by employment in trade and services industries. In 1984 trade alone accounted for 28% of total wage and salary jobs in Wasilla and 50% of the retail trade employment is directly related to feeding the residents at either food stores or restaurants. The food stores and restaurants industry is now dominated by franchise and large national or regional chains and competition has become increasingly fierce.

Services, ranging from personal services to business services and health care to lodging, account for 27% of the jobs in the area. Service firms tend to be small, employing an average of four people per establishment compared to over eight employees per firm in the retail sector. The government sector has also expanded in response to the demand for services. The vast majority of local government employment in Wasilla are concerned with education. The seven Wasilla area schools including one high school one junior high and five elementary schools employed approximately 370 positions in 1984 up 94% from 1980. State government employment is not detailed to the smaller ge-

ographical regions, but if State government in Wasilla behaved like the Borough as a whole growth was significant. State government borough-wide grew 62% from 1980 to 1984.

Nonagricultural Wage and Salary Employment
By Place of Work
Anchorage

			Changes From:	
	P/ 5/85	R/ 4/85	5/84	4/85	5/84
Nonag. Wage & Salary	115200	113050	111850	2150	3350
Mining	4250	4250	4050	0	200
Construction	9850	8300	10100	1550	-250
Manufacturing	2650	2500	2450	150	200
Food & Kindred Prod	450	350	400	100	50
Other Mfg	2200	2150	2050	50	150
Trans. Comm. & Utilities	9250	8900	9550	350	-300
Trucking & Whseing	1150	1100	1350	50	-200
Water Transportation	400	350	400	50	0
Air Transportation	3700	3500	3950	200	-250
Other Trans. Comm. & Utilities	4000	3950	3850	50	150
Trade	27750	27600	26450	150	1300
Wholesale	6700	6800	6500	-100	200
Retail	21050	20800	19950	250	1100
Gen. Mer. & Apparel	1500	1450	1550	50	-50
Food Stores	3050	3150	2800	-100	250
Eating & Drinking Pl.	8300	8150	7700	150	600
Other Retail Trade	8200	8050	7900	150	300
Finance-Ins. & R.E.	9050	8850	8600	200	450
Services & Misc.	26450	26300	25000	150	1450
Government	25950	26350	25650	-400	300
Federal	9600	3500	10100	100	-500
State	6900	7400	6700	-500	200
Local	9450	9450	8850	0	600

Nonagricultural Wage and Salary Employment
By Place of Work
Anchorage-MatSu

			Changes From:	
	P/ 5/85	R/ 4/85	5/84	4/85	5/84
Nonag. Wage & Salary	123200	120550	118300	2650	4900
Mining	4300	4300	4050	0	250
Construction	10700	9000	11150	1700	-450
Manufacturing	2850	2650	2600	200	250
Trans. Comm. & Utilities	9950	9550	10150	400	-200
Trade	29550	29300	28050	250	100
Finance-Ins. & R.E.	9550	9350	8700	200	850
Services & Misc.	27850	27750	26000	100	1850
Government	28450	28650	27600	-200	850

Wasilla Annual Average Employment & Wages

Industry	1980 Annual Average	1981 Annual Average	1982 Annual Average	1983 Annual Average	1984 Annual Average	Percent Change 80-84
Mining	2	18	14	11	8	400%
Construction	71	133	287	458	599	743%
Manufacturing	5	15	17	23	41	720%
Trans. Comm. & Utilities	32	37	42	53	55	72%
Trade	251	311	376	515	724	188%
Wholesale Trade	17	18	23	29	40	135%
Retail Trade	234	292	353	486	684	192%
FIRE	16	34	56	72	116	625%
Services	182	254	284	357	548	201%
Misc.	5	16	14	31	50	900%
Government	205	228	303	361	417	103%
Federal	6	10	13	9	28	366%
State	0	1	1	1	1	N/A
Local	199	218	289	351	388	95%
Total Nonag Employment	769	1046	1392	1880	2558	233%
Total Wages	$2,033,853	$3,390,343	$5,404,408	$7,608,645	$10,761,081	429%
Average Monthly Wage	$1,106	$1,330	$1,588	$1,611	$1,734	71%
Number of Firms	155	177	246	323	439	183%

N/A: Not Applicable.

Fairbanks/Interior

By Neal Fried

Fairbanks Employment Outlook

Now that we are halfway through the year, Fairbanks' employment picture is beginning to take shape for 1985. Though no big surprises are in the making, the local economy's dynamics are changing. Employment growth continues to slow, to a rate of 2 to 3% a far cry from the boom years of 1981-1982, when employment gains were in the 8 to 9% range. Most industries are still contributing to these gains, though a few are losing ground and others remain unchanged. One industry which led much of this growth over the past four years is moving into a more subdued phase. The construction industry with employment growth each year since 1981 appears to be leveling off in 1985.

The fourth quarter 1984 employment figures (*Statistical Quarterly* numbers), which just recently became available, indicate no employment growth over the corresponding quarter in 1983. This is the first quarter in four years that construction has not experienced growth over the corresponding period in the previous year. While this indicates some changes in the fortunes of this industry, 1985's season continues to be healthy. Public and commercial construction remain strong, and residential permit data for the first five months of this year is coming in slightly above year-ago levels. The 300 housing units being built on Eielson Air Force Base will further bolster the construction number.

The transportation, communication and utilities industry is the only industry where employment remains below year-ago levels. The Wien and Bendix (Gilmore Tracking Station) layoffs along with little or no growth from the industry's remaining sectors have kept employment below last year.

Trade and services remain the big contributors to the area's growth although no longer growing at the rapid rates of the past four years. Their growth is apparently catching up with demand, which at one time appeared to be insatiable. Nevertheless, these two industries, particularly trade, will continue to contribute the lion's share of the growth in employment through 1985.

Nonagricultural Wage and Salary Employment
By Place of Work
Fairbanks

	P/ 5/85	R/ 4/85	5/84	Changes From: 4/85	5/84
Nonag. Wage & Salary	28450	28100	28150	350	300
Mining	150	150	200	0	-50
Construction	2900	2650	2900	250	0
Manufacturing	550	550	500	0	50
Trans. Comm. & Utilities	2700	2800	2900	-100	-200
Trucking & Whseing	450	450	450	0	0
Air Transportation	750	800	800	-50	-50
Other Trans. Comm. & Utilities	1500	1550	1650	-50	-150
Trade	6150	6000	5900	150	250
Wholesale	1050	1050	1000	0	50
Retail	5100	4950	4900	150	200
Gen. Mer. & Apparel	550	550	550	0	0
Food Stores	800	800	700	0	100
Other Retail Trade	3750	3600	3650	150	100
Finance-Ins. & R.E.	950	950	950	0	0
Services & Misc.	5450	5350	5350	100	100
Government	9600	9650	9450	-50	150
Federal	2850	2650	2850	200	0
State	3900	4150	3800	-250	100
Local	2850	2850	2800	0	50

Nonagricultural Wage and Salary Employment
By Place of Work
Interior

	P/ 5/85	R/ 4/85	5/84	Changes From: 4/85	5/84
Nonag. Wage & Salary	32650	32250	32800	400	-150
Mining	250	250	300	0	-50
Construction	3000	2750	3000	250	0
Manufacturing	550	550	550	0	0
Trans. Comm. & Utilities	3400	3400	3700	0	-300
Trade	6550	6400	6350	150	200
Finance-Ins. & R.E.	1000	1000	1050	0	-50
Services & Misc.	5800	5800	5650	0	150
Government	12100	12100	12200	0	-100

Thus far, government employment during 1985 has remained above year-ago levels. With the new state fiscal year and tighter budgets, this may change. State and local government budgets, including the University of Alaska, will be leaner and, in some cases, there may be layoffs. This may very well put a damper on this growth.

The Unemployment Picture

Nineteen eighty-five's labor force figures continue to manifest themselves in odd ways. During the past three years employment skyrocketed, yet the unemployment rate grew because the number of new job seekers was increasing even more rapidly. During the first five months of 1985, Fairbanks' unemployment rate has fallen below year-ago levels. Apparently with the improving economy nationwide and the slowing down of Alaska's economy, the number of new job seekers is falling off. Traditionally, the unemployment rate would rise with a slower economy, but this is not happening in Alaska. Alaska's labor markets are small and have a large transient component, giving rise to this aberration. In the long run, however, a slower economy could mean higher unemployment rates.

Gulf Coast

By Neal Fried

Gulf Coast's Present Employment Picture

In 1981 employment in Alaska began to surge ahead. This dramatic expansion continued for the next four years. The Gulf Coast area participated in the rapid expansion but not all communities fared equally well. The local economies of Kenai, Soldotna, and Homer followed suit. Others such as Valdez and Seward moved ahead, albeit sluggishly. Finally, communities such as Kodiak and Cordova either suffered some losses or recorded no gains. In balance, the region's winners made such rapid gains that they pulled the entire region's employment numbers upward.

In 1985 the State's rate of growth has slowed significantly. Some industries such as construction, which led the statewide growth during the early 1980's, are recording losses in employment in 1985. Is the Gulf Coast region following this pattern or can it buck this trend? Though the region's employment numbers remain strong, weaknesses similar to those currently affecting the rest of the state are being observed in the region.

May's wage and salary employment statistics indicate a more than respectable 5.6% growth over the previous year. Construction, however, remained flat. It appears this industry has peaked in the region. Residential construction activity has slowed from the 1984 level, as indicated by building permit data for the first four months of this year, which is 8% below year-ago levels. Commercial construction activity remains strong but is slowing from earlier levels and it appears public construction activity will follow this pattern.

The reasons for the present construction slowdown in the region are many; but basically, the supply of new housing and commercial space has caught up with the demand as population growth has slowed. Not all communities within the region fit this picture. For example, Seward's construction activity may not peak for another year or two because of the construction of the prison along with other activity that will accompany this economic expansion. Falling oil revenues do not appear to have impacted the region yet, given the strong public sector activi-

Nonagricultural Wage and Salary Employment
By Place of Work
Gulf Coast

			Changes From:	
	P/ 5/85	R/ 4/85	5/84	4/85	5/84
Nonag. Wage & Salary	20950	19150	19800	1800	1150
Mining	800	750	750	50	50
Construction	1850	1500	1800	350	50
Manufacturing	3200	2150	2750	1050	450
Food & Kindred Prod.	2500	1450	2100	1050	400
All Other Mfg.	700	700	650	0	50
Trans. & Comm. Utilities	2100	2100	2100	0	0
Trade	3650	3350	3300	300	350
Wholesale	550	450	500	100	50
Retail	3100	2900	2800	200	300
Finance-Ins. & R.E.	650	650	650	0	0
Services & Misc.	3300	3150	3100	150	200
Government	5400	5500	5350	-100	50
Federal	500	450	550	50	-50
State	1500	1650	1550	-150	-50
Local	3400	3400	3250	0	150

ty this season. In the future, should oil prices continue to decline the loss of oil revenues will be felt.

Almost all of the region's remaining industries continue to chalk up employment gains. Trade and services remain the largest contributors. Manufacturing, a poor performer in the past, has made some gains. Fish processing employment received a boost from good herring, halibut and early salmon catches. Refinery employment has increased slightly as a result of the expansion of the Tesoro Refinery. Government employment has climbed over the past five months, Local government remains above year-ago levels, but tighter budgets in the near future will put a damper on further strong expansion in the public sector.

Southeast Alaska

By John Boucher

Employment Outlook

Southeast Alaska wage and salary employment continued to improve in the month of May, increasing nearly 4.0% over last month to 30,500 jobs. The increase came largely on the strength of growth in the manufacturing industry. Last year Southeast Alaska wage and salary employment stood at 29,350, which meant that the number of jobs in the Southeast region increased 2.5% over last year.

The strong showing of the lumber and paper products sector during the early part of this year has been a welcome sign to the larger Southeast communities outside of Juneau. The unemployment rates are a testament to this improvement, especially in the Ketchikan and Wrangell-Petersburg census areas where unemployment is down dramatically from the year ago figures. The good news in this industry was somewhat tempered though by the announcement that the Sitka pulp mill will shut down for six weeks beginning the first of July. Recent drops in the interest rates for home buyers is normally also a good sign for the lumber industry, but the Southeast lumber and paper products industry is more closely tied to markets in the Far East, especially the Japanese housing market. This is not to say that Southeast would not benefit from a pickup in housing starts in the U.S., but it would most likely be indirect as Pacific Northwest and Canadian competitors turn their attentions toward satisfying the needs of the more lucrative U.S. markets.

Employment related to the tourism industry in Southeast also began to show signs of revival for the summer months. Hotel and motel related employment picked up by more than 20% during May, which is not an unusual rate of growth for this month. June and July are the peak months of operation for the tourist season and employers like Westours do not really gear up until then. Southeast is expected to have another strong year for tourism which will be good for the industries of trade and services as well as the transportation industries.

Retail trade employment was up 200 for the month of May as eating and drinking establishments and other retailers began

Nonagricultural Wage and Salary Employment
By Place of Work
Southeast Alaska

				Changes From:	
	P/ 5/85	R/ 4/85	5/84	4/85	5/84
Nonag. Wage & Salary	30050	28900	29350	1150	700
Construction	1550	1400	2000	150	-450
Manufacturing	3500	2900	3300	600	200
Food & Kindred Prod.	1000	750	850	250	150
Lumber & Paper Prod.	2250	1900	2200	350	50
All Other Mfg.	250	250	250	0	0
Trans. Comm. & Utilities	2000	1950	1850	50	150
Trade	4850	4650	4700	200	150
Wholesale	400	400	400	0	0
Retail	4450	4250	4300	200	150
Finance-Ins. & R.E.	1050	1050	1050	0	0
Mining, Services & Misc.	4750	4550	4650	200	100
Government	12350	12400	11800	-50	550
Federal	2100	2000	2100	100	0
State	5600	5800	5450	-200	150
Local	4650	4600	4250	50	400

to add additional help for the longer summer hours. Eating and drinking establishments have been the fastest growing sector within the trade industry in Southeast Alaska during the last year. A major portion of the growth is attributable to the addition of several fast food franchises to the Juneau area as well as some expansion of existing operations. It is apparent that the restaurant business in the capital city is becoming increasingly competitive due to the recent additions to the market. Several established eateries have closed their doors or changed hands and several are up for sale. With at least one more very competitive entrant about to open and several others looking for a location, there looks to be continued growth in this segment of the economy; however, some of the growth might come at the eventual expense of more established businesses.

Hours and Earnings

By Kathleen Thomas

Urban Versus Rural Monthly Wages

Rural versus urban wages have been a source of concern for quite some time. Reasons for the differences vary from type of employment to way of life. To examine urban and rural wage differences, nonagricultural wage and salary employment and payroll data are used to calculate average monthly wages for rural and urban wage earners.

The 1983 *Statistical Quarteriy* contains a table of nonagricultural wage and salary employment and payroll by month and census area. These census areas can be combined to provide average monthly wages for various regions. To examine differences in urban and rural wages, the census areas are combined into the five labor market regions: Southeast, Southcentral, Southwest, Interior, and Northern. The Anchorage labor market area and the Gulf Coast labor market area are combined to form the Southcentral region due to their geographic similarities. The four major urban areas (Juneau Borough, Anchorage Borough, Fairbanks North Star Borough, and North Slope Borough) were not added into the regional totals but were instead kept separate. By definition then, rural areas are all areas other than the designated urban areas.

The annual average monthly wage per employee is obtained by dividing the annual average monthly payroll by the annual average monthly employment. Performing this step for each urban area and each rural region allows comparison between areas.

For all regions rural residents have a lower average monthly wage than urban residents. Anchorage and the remainder of the Southcentral region had the least difference in average monthly wages, 5%. Though Anchorage is the major metropolitan area in the state, it is not the only urban community in the Southcentral region. The Kenai Peninsula Borough with a July 1, 1983 population of 34,890 and the Matanuska-Susitna Borough with a population of 29,849 rival Juneau in size with its population of 25,964. In other words, the urban rural dichotomy is not

as applicable in the Southcentral region as in other areas due to urban sprawl from Anchorage.

The Juneau Borough's wage differential from the rest of Southeast is a bit more pronounced at 8.8%. Juneau tends to rely more on the stable government sector for most of its employment. In 1983, 51% of Juneau's employment was in combined local, state, and federal government. The other areas in the Southeast, especially the rural areas, are more bound by the cyclical and uncertain manufacturing industries such as fish processing and wood products.

In the Interior, Fairbanks North Star Borough has a 10% higher average monthly wage than the rest of the region. Fairbanks serves as a base station to the pipeline and Prudhoe Bay oil fields and, as a result, has an economy diversified into construction, transportation, retail trade, services, and government. This foundation provides a reliable employment base and steady wages. The number of wage and salary jobs available in rural areas is lower than in urban areas. Also, some rural households maintain a subsistence lifestyle and supplement their lifestyles with part-time or seasonal work thereby lowering average monthly wages.

The North Slope Borough is a special case. It is treated separately not because it is an urban area but because its average monthly wages are so much higher than the rest of the region's, 148% higher at $4,849. Sixty-three percent (63%) of North Slope Borough employment is in construction and mining, two of the highest wage industries as reported in hours and earnings. That, coupled with the increased demand for labor in the low population North Slope, serve to push wages to the extreme. Nome and Kobuk census areas received little of this bounty with average monthly wages of $1,933 and $1,986, respectively.

The Southwest region has no major urban areas against which to compare wages. Of all the regions, urban and rural, Southwest has the lowest average monthly wage. Southwest in general is responsive to seasonal employment. With the Southwest waters being the major fishing grounds, the fishing industry is critical to that region. Another point to note is that fish harvesting employment is not included in the *Statistical Quarterly* as it is not covered by unemployment insurance. If someone fished

Alaska Hours and Earnings for Selected Industries 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	P/ 5/85	R/ 4/85	5/84	P/ 5/85	R/ 4/85	5/84	P/ 5/85	R/ 4/85	5/84
Mining	22.73	23.42	23.88	48.6	50.9	48.4	1104.68	1192.08	1155.79
Contract Construction	23.17	23.78	24.56	44.4	42.3	40.4	1028.75	1005.89	992.22
Manufacturing	11.63	13.55	13.53	43.4	37.5	34.9	504.74	508.13	472.20
Food & Kindred Prod.	7.06	9.17	8.54	43.8	33.6	28.1	309.23	308.11	239.97
Lumber & Paper Prod.	16.08	16.06	16.24	44.1	40.2	41.1	709.13	645.61	667.46
Trans. Comm. & Utilities	14.74	14.73	15.41	36.6	37.3	38.1	539.48	549.43	587.12
Trade	11.7	11.60	10.57	33.5	33.5	35.3	394.63	388.60	373.12
Wholesale	14.09	13.48	12.23	37.2	38.3	37.2	524.15	516.28	454.96
Retail Trade	10.74	10.73	9.89	32.0	31.6	34.6	343.68	339.07	342.19
Finance. Inc. & R.E.	—	—	—	—	—	—	418.87	440.12	381.29

1/ Prepared in cooperation with the Bureau of Labor Statistics U.S. Department of Labor.

2/ Excludes eating and drinking establishments.

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production worker (manufacturing) and non-supervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

for the summer season, earned a wage, and then worked a temporary job for a local industry in the winter, only that payroll for the temporary job would be included in the wage figures presented here. The fishing wage would not be counted. Though real wages may be more in line with the rest of the state there is no way to effectively measure this.

All in all, rural wages are lower than urban wages but whether it is because of reduced opportunities to work, the way wages are calculated, the lifestyle, or a combination of factors is difficult to determine.

Average Monthly Wages

Urban Areas		**Rural Regions**	
Anchorage Borough	$2289.55	Southcentral	$2177.98
Juneau Borough	2283.01	Southeast	2098.11
Fairbanks North Star Bor.	2474.75	Interior	2250.28
North Slope Borough	4849.79	Northern	1955.55
		Southwest	1772.91
All Urban	2494.75	All Rural	2070.63

Statewide 2378.93